# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:607
ANSWERED ON:23.02.2001
IMPACT TO ERTHQUAKE ON ECONOMY
DHANI RAM SHANDIL

**Will the Minister of FINANCE be pleased to state:**

(a) the impact of recent earthquake on the Indian economy;

(b) whether the assessment of the damage caused to the economy in terms of money has been made;

(c) if so, the details thereof;

(d) the packages announced by the Ministry to help the industrialists in the earthquake affected areas of Gujarat;

(e) whether the Government propose to consider and give excise exemption for ten years for the industries in this area; and

(f) if so, the action plan drawn up to help the existing industries in Kutch and other affected areas?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (c): According to preliminary estimates as assessed by the Government of Gujarat, damage has occurred to personal properties, household properties, industrial and commercial establishments. The total loss of damage as reported by the State Government is estimated at Rs.21262 crores. Any repercussion on the Indian economy due to earthquake in Gujarat can be absorbed by the economy.

(d) to (f): There is no proposal under consideration at present to give excise exemption for ten years to industries in affected areas of Gujarat. However, for providing relief to areas affected by natural calamities, RBI have issued guidelines to all banks inter-alia, to convert short term production loans into medium term loans, reschedule existing termloans and provide additional working capital with relaxation in security and margin norms.